



Business Managers Conference

**Col Scoop Cooper
SAF/AQXT
(703) 588-6200**

larry.cooper@pentagon.af.mil

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R-TOC Strategy

Air Force Cost Environment (3 Dimensions)

DIMENSION 1: Program Thrust

RDT&E Procurement, Spares,
POL, Modifications, Disposal
(*System Program Manager*)

DIMENSION 2: Infrastructure Thrust

BOS, Transportation, Depot,
Infrastructure, Support Systems,
Munitions Systems
(*Wing Commander*)

DIMENSION 3: Concepts Thrust

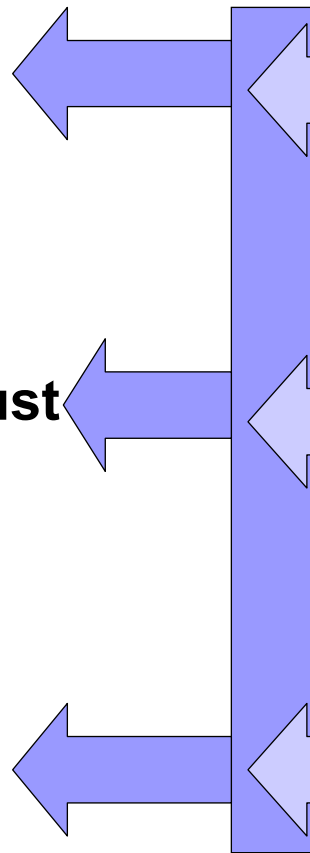
Cycle Time, Doctrine, Force
Structure, Logistics Footprint
(*SECAF/AF Chief of Staff*)

R-TOC Program Objectives

1. COST CONTROL

2. COST REDUCTION

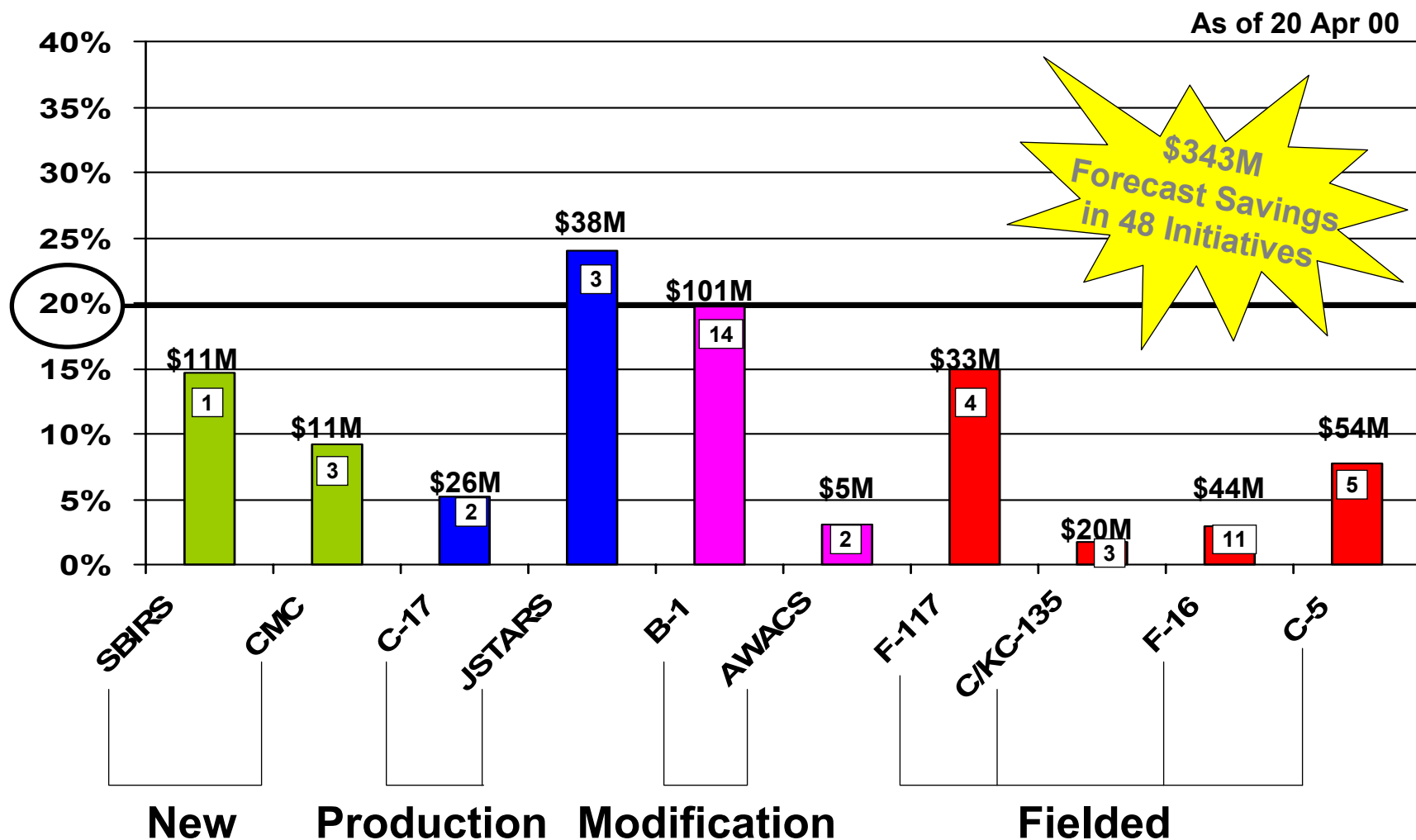
**3. INVEST TO
MODERNIZE**





Boxscore - Funded

FY05 Initiative Savings as Percentage of Adjusted FY98 O&S
(Less AVFUEL and MILPERS)



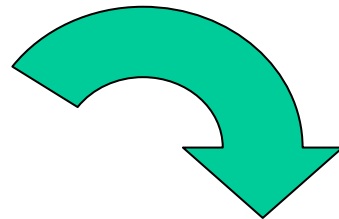


History of CSMI IPT Actions FY02 POM

CORONA JUMP START

7 Initiatives

5 Funded



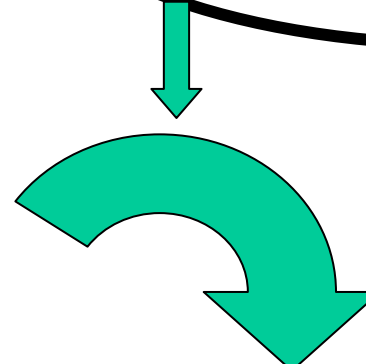
PBD 721

**3 Initiatives Funded
by “No Offset” PBD**

CSMI IPT Self-Funding Proposal

- Reinvest PBD 721 “No Offset” Savings
- AFCAIG Savings Reduces AFCAIG Bill

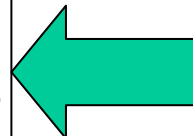
AF adheres to no “limiting
pot” of CSMI money - policy
set by AF Council in Nov 99



CSMI IPT Initial Recommendations

**27 Unfunded Initiatives Considered
by IPT**

- 8 RECOMMENDED FOR FUNDING
- 10 REVISITS - BES or FY03 APOM



DPG DIRECTION / INVESTMENT = \$50M EACH YEAR



CSMI FUNDING STATUS

As of 16 May 00

<u>FY 01</u>									
<u>PBD 721</u>		<u>FY01</u>	<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>	<u>Total</u>
B-1B DTOs									
Investment		1.6	1.3	3.1	0.8	0.0	0.0	0.0	6.8
Savings		-0.9	0.0	0.0	-0.8	-2.2	-2.2	-2.2	-8.3
F-117									
Investment		2.0	0.0	0.0	0.0	0.0	0.0	0.0	2.0
Savings		0.0	-1.5	-2.5	-2.5	-3.5	-3.5	0.0	-13.5
KC-135									
Investment		1.4	1.4	0.0	0.0	0.0	0.0	0.0	2.8
Savings(AFCAIG)		0.0	-2.7	-6.0	-9.7	-10.4	-11.2	-12.5	-52.5

<u>FY02</u>								
<u>POM Funded CSMLs</u>		<u>FY02</u>	<u>FY03</u>	<u>FY04</u>	<u>FY05</u>	<u>FY06</u>	<u>FY07</u>	<u>Total</u>
Lantirn Slip Ring								
Investment		1.5	1.6	0.0	0.0	0.0	0.0	3.1
Savings (AFCAIG)		-0.8	-2.1	-2.1	-2.1	-2.1	-2.1	-11.3
Lantirn NESAs								
Investment		0.0	0.0	2.2	2.2	1.1	0.0	5.5
Savings (AFCAIG)		0.0	0.0	-1.1	-2.3	-2.9	-2.9	-9.2
CSMI IPT Savings		-0.8	-2.1	-3.2	-4.4	-5.0	-5.0	-20.5
PBD Savings		-4.2	-8.5	-13.0	-16.1	-16.9	-14.7	-73.4
Total Savings		-5.0	-10.6	-16.2	-20.5	-21.9	-19.7	-93.9
Non-AFCAIG Savings		-1.5	-2.5	-3.3	-5.7	-5.7	-2.2	-20.9
Non-AFCAIG Savings for FY03		0.0	-0.9	-1.1	-3.7	-4.7	-2.2	-12.6

<u>FY03 APOM</u>								
<u>CSMLs to Revisit</u>								
AWACS DTOs								
Investment		2.1	0.0	0.0	0.0	0.0	0.0	2.1
Savings		-0.0	-0.1	-0.4	-0.5	-0.6	-0.6	-2.2
BOWST (GM)								
Investment		0.0	0.0	4.1	5.2	5.2	0.0	14.5
Savings (AFCAIG)		0.0	0.0	0.0	0.0	0.0	-2.0	-2.0